DRAFT-- SUBJECT TO FURTHER, COMMENT, REVIEW AND APPROVAL May 21, 2013

We are committed to the highest scientific standards to determine the source and extent of impacts on domestic water well quality in the area east of Pavillion, Wyoming. EPA investigated groundwater issues in the Pavillion Field for more than three years, through five phases of sampling. Domestic well sampling results, across all five phases, documented elevated concentrations of compounds known to impact water taste and odor. EPA efforts to evaluate potential migration pathways from deeper gas production zones to shallower domestic water wells in the Pavillion Field are inconclusive.

Additional investigation, including sampling and evaluation of domestic water wells, in the Pavillion Field is important. Fourteen domestic water wells - PGDW05, PGDW14, PGDW20, PGDW21, PGDW23, PGDW30, PGDW32, PGDW33, PGDW41, PGDW42, PGDW44, PGDW45, PGDW49, and LD02 – will be further evaluated for water quality and palatability concerns. Wyoming, through the Wyoming Oil and Gas Conservation Commission (WOGCC) and the Wyoming Department of Environmental Quality (WDEQ) will initiate a comprehensive review of all relevant data and additional science-based investigation.

The WOGCC will prepare a report concerning the status and reclamation of pits in the Pavillion Field. In addition, WOGCC will prepare a report concerning the integrity of all oil and natural gas exploration and production wells within 1320 feet of the fourteen domestic water wells with identified water quality issues.

The WDEQ will review all relevant data for each of the fourteen domestic water wells previously identified. In its review, the WDEQ will evaluate the data, conclusions and recommendations contained in the WOGCC's well bore integrity and pits final reports. Based on its review, the WDEQ may identify domestic water wells where additional testing and analysis is necessary. The WDEQ will determine if further investigation is necessary using exceedances of EPA primary and secondary contaminant levels and WDEQ Water Quality Rules and Regulations as a trigger.

In developing their reports, the WOGCC and WDEQ will solicit additional, relevant data from various parties, in order to complete their technical and regulatory analysis. The WOGCC and WDEQ will have an expert or experts review and comment on their technical and regulatory analysis, assumptions, and recommendations.

We believe that this cooperative and science-based approach will serve the interests of the people of Wyoming, particularly citizens in the Pavillion area, Wyoming's resources, and industry.